

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

LEAR CAPITAL, INC.,¹

Debtor.

Chapter 11 (Subchapter V)

Case No. 22-10165-BLS

**JOINT MOTION EXTENDING GOVERNMENTAL CLAIMS BAR DATE
AND PLAN DATE²**

Counsel for the Participating States³ and for the above-captioned debtor and debtor in possession (the “Debtor”) (collectively, the “Parties”), by and through undersigned counsel, hereby submit this Joint Motion for entry of an order, substantially in the form attached hereto as Exhibit 1, extending the governmental claims bar date by a period of six weeks (March 3, 2023) and the deadline for the Debtor to file its plan for a period of eight weeks (March 17, 2023).

JURISDICTION, VENUE, AND STATUORY PREDICATES

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C §§157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012 (Sleet, C.J.). This matter is a core proceeding within the meaning of 28 U.S.C. §157(b)(2).

¹ The last four digits of the Debtor's federal tax identification number are 7197. The Debtor's address is 1990 S. Bundy Drive, Suite 600, Los Angeles, CA 90025.

² All references herein to “extending the government claims bar date” or “all deadlines” being extended (or similar phrasing) are subject to the caveat set forth in footnote 5, *infra*.

³ The “Participating States” include Alabama, Arizona, Arkansas, California, Colorado, Delaware, District of Columbia, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, and Wisconsin.

2. Venue is proper in this District under 28 U.S.C. §§1408 and 1409.

3. The statutory predicates for the relief sought herein are Bankruptcy Rules 1007(b) and (c) and Local Rule 1007-1(b).

4. Pursuant to Local Rule 9013-1(f), the Debtor consents to the entry of a final judgment or order with respect to this Motion if it is determined that the Court lacks Article III jurisdiction to enter such final order or judgment absent the consent of the parties.

BACKGROUND

5. On March 2, 2022 (the “Petition Date”), the Debtor filed its voluntary petition for relief under Chapter 11, Subchapter V of title 11 of the United States Code (the “Bankruptcy Code”), commencing this Chapter 11 case (the “Chapter 11 Case”).

6. The Debtor has continued in the possession of its property and has continued to operate and manage its business as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

7. On March 2, 2022, Jami Nimeroff was appointed as Subchapter V Trustee.

8. On June 7, 2022 (the “Abstention Date”), this Court entered an Order Granting Joint Motion of the Debtor and Debtor in Possession, Participating States and Customers for Order Pursuant to 11 U.S.C. §105 and Federal Rule of Bankruptcy Procedure 9019 Authorizing and Approving Settlement (the “Abstention Order”) (Docket No. 251).

9. The Abstention Order provided for the formation of a Committee of Customers (the “Committee”) and provided a 90-day period during which all deadlines in this Chapter 11 case, including all applicable Subchapter V deadlines, are stayed, with a 30-day reinstitution period for certain deadlines including, but not limited to, the governmental claims bar date and the Debtor’s deadline to file a plan under the terms of its current Subchapter V designation

(“Abstention Period”)

10. The purpose of the Abstention Order has been to allow the Debtor, the Committee, and Participating States to negotiate a resolution of all outstanding issues, including the terms of a consensual plan, with the goal of achieving a resolution of the Chapter 11 case.

11. The initial expiration date of the Abstention Period was September 21, 2022, and the Abstention Period was extended three times (Docket 379, 428, 465), most recently expiring on December 21, 2022 with the 30-day reinstitution period expiring January 20, 2023.

12. At a status conference held on December 14, 2022 the Debtor and the Committee announced that they had reached an agreement in principle.

RELIEF REQUESTED

13. The Debtor and the Participating States are continuing to negotiate a global resolution, including the terms of a consensual plan to achieve a resolution of the Chapter 11 case.

14. In furtherance of these negotiations, since the last status conference, the Debtor’s counsel and the Participating States have held teleconferences on December 20, 2022, and January 5, 2023, and have also exchanged correspondence. In addition, the Participating States have made a settlement demand to the Debtor.

15. The Debtor and the Participating States are continuing with their settlement discussions.

16. The Debtor and the Participating States do not believe they will be able to negotiate and reach the terms of a final resolution under the current governmental claim bar date and plan deadline of January 20, 2022.

17. The Parties have agreed, subject to the approval of the Bankruptcy Court, to an

extension of the governmental claim bar date by six weeks (March 3, 2023)⁴ and the Debtor's plan deadline by eight weeks (March 17, 2023).

18. These deadline extensions will allow the Debtor and the Participating States to continue to meet and negotiate efficiently and in good faith and will not prejudice the rights of any party in interest in this Chapter 11 case.

19. The Parties have agreed not to seek additional extensions of these deadlines absent extenuating circumstances.

20. Accordingly, the Parties submit that cause exists to extend these deadlines.

NOTICE

21. Notice of this Application has been given to (i) the United States Trustee; (ii) the Subchapter V Trustee; and (iii) all parties that have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Parties submit that no other or further notice is required.

WHEREFORE, the Parties respectfully request that the Court enter and order, substantially in the form annexed hereto as Exhibit 1, granting the relief requested in the Motion and such other and further relief as may be just and proper.

Dated: January 17, 2023

Respectfully submitted,

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⁴ This extension applies only to those parties entitled to an extension under the Abstention Order. The Parties disagree on whether non-Participating States or non-State governmental bodies are entitled to such an extension. Nothing in this Motion is intended to, nor shall be deemed to have resolved that issue. That issue will be resolved, if necessary, in the event a non-Participating State or other non-State governmental body files a proof of claim.

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ATTORNEYS FOR LEAR CAPITAL, INC.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11 (Subchapter V)
)	
LEAR CAPITAL, INC., ¹)	Case No. 22-10165-BLS
)	
Debtor.)	Objection Deadline: February 1, 2023 at
)	4:00 p.m. (ET)
)	
)	Hearing Date: February 8, 2023 at 1:30 PM
)	ET

**NOTICE OF JOINT MOTION
EXTENDING GOVERNMENTAL CLAIMS BAR DATE AND PLAN DATE²**

PLEASE TAKE NOTICE that on January 13, 2023, the Participating States³ filed the *Joint Motion Extending Governmental Claims Bar Date and Plan Date* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that responses, if any, to the Motion must be in writing, in conformity with the Federal Rules of Bankruptcy Procedure and the Local Rules of the United States Bankruptcy Court for the District of Delaware, filed with the Bankruptcy Court and served upon the undersigned counsel so as to be received on or before **February 1, 2023 at 4:00 pm (ET) (the “Objection Deadline”)**. At the same time, you must also serve a copy of the response upon the Debtor’s counsel:

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¹ The last four digits of the Debtor's federal tax identification number are 7197. The Debtor's address is 1990 S. Bundy Drive, Suite 600, Los Angeles, CA 90025.

² This extension request applies only to those parties entitled to an extension under the Abstention Order. The Parties disagree on whether non-Participating States or non-State governmental bodies are entitled to such an extension. Nothing in the Motion is intended to, nor shall be deemed to have resolved that issue. That issue will be resolved, if necessary, in the event a non-Participating State or other non-State governmental body files a proof of claim.

³ The “Participating States” include Alabama, Arizona, Arkansas, California, Colorado, Delaware, District of Columbia, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, and Wisconsin.

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PLEASE TAKE FURTHER NOTICE that a hearing on the Motion is scheduled for **Hearing Date** before the Honorable Brendan L. Shannon, United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Courtroom #1, Wilmington, Delaware 19801.

IF NO OBJECTIONS ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN CONNECTION WITH THE MOTION WITHOUT FURTHER NOTICE OR HEARING

Dated: January 17, 2023

Respectfully submitted,

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PARTICIPATING STATES REPRESENTED BY KAREN CORDRY:

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Arkansas Securities Department

State of Arizona ex rel. Arizona Corporation Commission

California Commissioner of Financial Protection and Innovation

District of Columbia Dept. of Insurance, Securities and Banking Commissioner

Delaware Department of Justice, Investor Protection Unit

Hawaii Office of the Attorney General

Idaho Department of Finance

Kentucky Department of Financial Institutions, Division of Securities

Louisiana Office of Financial Institutions

Michigan Department of Attorney General

Maine Securities Administrator

Missouri Securities Enforcement Counsel

Montana Commissioner of Securities & Insurance

New Hampshire Bureau of Securities Regulation

Ohio Department of Commerce, Division of Securities

Puerto Rico Office of the Commissioner of Financial Institutions

South Carolina Office of the Attorney General

Utah Securities Division

Exhibit 1

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
LEAR CAPITAL, INC., ¹)	Chapter 11 (Subchapter V)
Debtor.)	Case No. 22-10165-BLS
)	Re: Docket No. _____

**ORDER GRANTING JOINT MOTION
EXTENDING GOVERNMENTAL CLAIMS BAR DATE AND PLAN DATE**

Upon consideration of the motion (the “Motion”) of the Participating States and the above-captioned debtor and debtor-in-possession (the “Debtor”) for an order extending the governmental claims bar date and the deadline for the Debtor to file its plan; and the Court having jurisdiction over this matter pursuant to 28 U.S.C §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012 (Sleet, C.J.); and the Court having determined that granting the relief requested in the Motion is in the best interests of the Debtor, its estate and creditors; and notice of the Motion being sufficient under the circumstances; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is granted.
2. The Governmental Bar Date shall be March 3, 2023. For the avoidance of doubt, this deadline shall only apply to those entities entitled to an extension as set forth in that certain “Order Granting Joint Motion of the Debtor and Debtor in Possession, Participating States and

¹ The last four digits of the Debtor’s federal tax identification number are 7197. The Debtor’s address is 1990 S. Bundy Drive, Suite 600, Los Angeles, CA 90025.

Customers for Order Pursuant to 11 U.S.C. §105 and Federal Rule of Bankruptcy Procedure 9019 Authorizing and Approving Settlement (the “Abstention Order”) (Docket No. 251).”

3. The Debtor’s Plan Deadline shall be March 17, 2023.

4. The foregoing dates shall not be extended further except upon a showing of extenuating circumstances.

5. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order

IT IS SO ORDERED.

Dated: _____, 2023

THE HONORABLE BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE